

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA



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In the Matter of the Application of
SAN JOSE WATER COMPANY
(U168W) for an Order authorizing it to
increase rates charged for water service
by \$34,928,000 or 12.22% in 2016, by
\$9,954,000 or 3.11% in 2017, and by
\$17,567,000 or 5.36% in 2018.

Application 15-01-002
(Filed January 5, 2015)

LATE FILED NOTICE OF EX PARTE COMMUNICATIONS

In accordance with Rule 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), the Office of Ratepayer Advocates ("ORA") hereby gives notice of four oral ex parte communications relating to the above-captioned proceeding.

On May 31, 2016, ORA's Tony Tully, Cheryl Cox and Paul Angelopulo met with Jen Kalafut, the advisor from Commissioner Peterman's office, to discuss the Proposed Decision ("PD") of ALJ Tsen to Application (A) 15-01-002.

On June 1, 2016, ORA's Tony Tully and Cheryl Cox met with Lester Wong, the advisor from Commissioner Randolph's office, to discuss the same PD.

On June 2, 2016, ORA's Tony Tully and Cheryl Cox met with Liz Podolinsky, the advisor from President Picker's office, to discuss the same PD.

On June 2, 2016, ORA's Tony Tully and Cheryl Cox met with Charlyn Hook, the advisor from Commissioner Florio's office, to discuss the same PD.

These meetings all took place in conference rooms on the 5th floor of the Commission's offices at 505 Van Ness Avenue, in San Francisco, California. The meetings all lasted less than 30 minutes.

At these meetings, ORA expressed its general support for the PD and specifically its response on the Water Revenue Adjustment Mechanism (“WRAM.”) ORA provided a high level summary of the difference between the Monterey-style WRAM, currently used by San Jose Water Company (“SJWC,”) and the pilot full decoupling WRAM used by some other companies. ORA explained that the Monterey-style WRAM specifically targets the differences in revenue based on the changes in rates due to the adoption of conservation rates, as opposed to a full decoupling WRAM that addresses the changes in revenue that can include many things outside and not related to conservation.

ORA also noted its support of the PD’s conclusion that SJWC’s water conservation success demonstrates that full revenue decoupling is not necessary to promote water conservation, and that SJWC has not adequately established another basis for the change requested. ORA also added that SJWC’s success goes beyond current years and extends back to 1997 as noted in ORA’s testimony. ORA also provided two handouts noted below from ORA’s testimony. Figure 13-A shows the numerous WRAM under collections, many of which were quite substantial. ORA noted that the issue of under collections has not been, and will likely not be resolved, despite numerous attempts through the adoption of different methodologies. The graph in Attachment 13-A depicts the average per capita consumption of San Jose water customers each year since 1995 and includes a trend line illustrating its decline since that time.

The two attached handouts from ORA’s testimony were given to each advisor. They are:

1. Figure 13-A: SJWC Actual Annual Average GPCD Consumption with Trendline and SBX7-7 Targets, page 13-14; and
2. Attachment 13-A: List of WRAM Under collections, page 13-24.

Respectfully submitted,

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